

**APPROVED MINUTES**  
**Idaho Soil Conservation Commission**  
**2270 Old Penitentiary Road**  
**Boise, Idaho**



The Idaho Soil Conservation Commission (ISCC) held its regular, bi-monthly meeting on July 12-13, 2004 in Lower Conference Rooms 1 and 2 at the Idaho State Department of Agriculture (ISDA) office in Boise, Idaho.

Members: Jerry Reid, Chairman  
Bill Whittom, Vice-Chairman  
J. Morgan Evans, Secretary  
Gary Grindstaff, Member  
Tom Johnston, Member

PO Box 790  
2270 Old Penitentiary Road  
Boise, ID 83701-0790

Advisors: Kyle Hawley, Idaho Association Soil Conservation Districts (IASCD)  
Rich Sims, Natural Resources Conservation Service (NRCS)

(208) 332-8650  
Fax (208) 334-2386

Advisors not Present: Paul McCawley, University of Idaho (U of I)

[scc.idaho.gov](http://scc.idaho.gov)

Others: Jerry Nicolescu, ISCC  
Brenda Thomasson, ISCC  
Jennifer Ambrose, ISCC  
Biff Burleigh, ISCC  
Tony Bennett, ISCC  
David Ferguson, ISCC  
Kathie Shea, ISCC  
Pat McCoy, Capital Press  
Gary Bahr, ISDA  
Mike Everett, ISDA  
John Chatburn, ISDA  
Gary McRae, Environmental Protection Agency (EPA)  
Kathy Weaver, ISCC  
Russell Knight, ISCC  
Jody Fagan, NRCS  
Ray Houston, Legislative Services Office (LSO)  
Jane McClaran, Division of Financial Management (DFM)  
Jim Yost, Office of the Governor  
Janet Hohle, ISCC

Governor  
Dirk Kempthorne

Commission members  
Bill Whittom  
J. Morgan Evans  
Gary Grindstaff  
Jerry Reid  
Tom Johnston

Administrator  
Jerry Nicolescu

**Welcome/Announcements**

Chairman Reid called the meeting to order at 11:07 A.M. and welcomed everyone to the meeting. Richard Sims introduced Jody Fagan as his new public affairs specialist. He also took the opportunity to announce that Sara Braasch has been appointed the new Western Region Conservationist. Braasch is a former congressional staffer, commodity executive and executive director of the Idaho Rural Partnership. She will oversee the Pacific Basin and the following states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

## Minutes

Everyone acknowledged that they had had time to read the minutes. Grindstaff noted one typo (Idaho Code § 67-2345) for correction. Grindstaff moved to approve the minutes with the one correction as noted. Whittom seconded and the motion carried.

## Financial Reports

### *General Fund Expenses*

Thomasson presented the financial report. She noted that ISDA's Fiscal department has not yet completed the closing of all accounts and this is reflected in the financial report. A total of 69% of federal funds had been expended, which is fairly on target considering the federal fiscal year ends September 30. Thomasson noted TSP and CTA agreements have been re-written so as to be more consistent with guidelines established by DFM. She also noted that at year's end, WQPA funds in the amount of \$37,000 were encumbered for an aquifer mitigation grant to be paid out this week. Funds have also been encumbered for a new copier – although it is uncertain when the contract negotiation will be complete.

Evans inquired as to the delay in the cycle on the financial report – Thomasson explained it was due to the end-of-month processing in ISDA's Fiscal department. Whittom moved to approve the financial report. Evans seconded and the motion carried.

### *FY 2004 Summary Report*

Nicolescu briefly reviewed the FY 2004 budget summary, explaining T&B, personnel savings, and capitol outlay. Evans asked about the Commission's expenditures regarding ground water mitigation (\$135,000 thus far) and the possibility that this money will be returned to the Commission's budget. Nicolescu replied that a supplemental decision unit is being written that will request this funding be returned to the Commission's budget in FY 2006.

### *Resource Conservation and Rangeland Development Program (RCRDP) Fiscal Report*

Nicolescu presented the RCRDP financial report. Nicolescu noted the new format of the RCRDP report, which he had requested acting loan officer Shonna Taylor to create. Evans remarked that he really appreciated the additional summary details of the new report and was very pleased with the overall product Taylor had produced. Whittom moved to approve the RCRDP financial report and Evans seconded. The motion passed.

### *RCRDP Software*

Nicolescu reported on new loan software which would ensure security, create standardized reports and forms, and contained many upgraded features that would aid in streamlining the RCRDP loan program. He went on to explain that initially, Division of Financial Management (DFM) had approved the purchase, but that the initial figure reported to DFM was inaccurate. The original figure of \$12,500 did not include three user licenses (\$2,500 each) or user support for the first year (\$3,000), which would be necessary due to the more complicated

customization and setup Ambrose would have to perform before the system was in operation. After seeing the final cost (\$21,500), DFM turned down the request for new software. It was indicated that in order to purchase the software, a new decision unit must be written, requesting the purchase of software, including an appropriate amount of user licenses and technical support.

#### *RCRDP Loan Officer Position*

Thomasson distributed a copy of the RCRDP Loan Officer's position announcement, as it was posted on the Department of Human Resources' website on July 12<sup>th</sup>. Nicolescu reviewed the details of the announcement. Nicolescu welcomed Commission Members to participate in the panel interviews if they were available.

#### *Upcoming Events*

There was some discussion of the upcoming Pacific Northwest NACD meeting in Alaska, September 19 – 22. Whittom moved to authorize Evans and Nicolescu to attend the NACD meeting in September. Grindstaff seconded the motion and it carried.

It is also noted briefly that there will be an Air Quality Task Force meeting in Coeur d'Alene on July 20<sup>th</sup>.

#### **Joint Session**

The Commission meeting adjourned for a luncheon with Division Directors of the IDEA and IASCD Board Members. The meeting was called to order at 1:00 P.M. for a joint session with the Commission and IASCD. Introductions were made and the following individuals were welcomed to the afternoon session:

Dick Rush, Ada SCD  
Kyle Hawley, IASCD President, and Division II Director  
Claude Bruce, IASCD Treasurer, and Division III Director  
Sharon Kinzer, IDEA President  
Roger Stutzman, IASCD Secretary, and Division IV Director  
Wayne Newbill, OnePlan Coordinator, IASCD  
Alice Wallace, Division I Director  
Ken Stinson, IDEA Treasurer, and Director at Large  
David Ellsworth, IASCD Vice-President, and Division VI Director  
René Jeppeson, Boundary SCD  
Debbie Tiede, IDEA Secretary, Power SCD  
Kent Foster, IASCD Executive Director  
Lyla Dettmer, Franklin SCD  
Vickie Lukehart, IDEA Historian, Weiser River SCD  
Kevin Koester, Division V Director  
Jim Caswell, Office of Species Conservation (OSC)

## **OnePlan Update**

Wayne Newbill presented a brief OnePlan update. The Conservation Planner is now complete and is residing in a test mode at [oneplantest.informationdesigns.com](http://oneplantest.informationdesigns.com). OnePlan itself still resides at [Oneplan.org](http://Oneplan.org). Newbill went on to report that two former range conservationists (NRCS) began working on the range component of OnePlan last week. They are scheduled to meet with programmers next week.

## **Office of Species Conservation Update**

Jim Caswell, OSC, delivered an update from the Office of Species Conservation, a natural resource policy-making agency. Caswell reported briefly on the following issues:

- Currently OSC is occupied with ESA issues, involving wolves, grizzly bears, lynx, and slick-spot peppergrass
- Snake River Basin Adjudication (SRBA) issues are directly impacting the Lemhi and Pahsimeroi areas as well as the Upper Salmon Basin Watershed Project (USBWP)
- Ground squirrels may not be listed
- The potential listing of sage grouse and white sturgeon is a heated topic
- Snails are seeing another petition to de-list
- Subbasin plans have been developed in conjunction with the Northwest Power Planning Council (NPPC) and have been sent to Independent Scientific Review Panel (ISRP)
- A total of \$5 million has been appropriated for the current fiscal year; no spending authority has been resolved but the funds can be held over for use in subsequent fiscal years. Funding is specifically for activities treating water bodies linked to anadromous species according to NOAA guidelines. A proposed budget indicates \$8 million will be available in the next fiscal year

Delisting wolves is still in debate. According to the recovery plan, Montana, Wyoming, and Idaho, 30 packs must be well distributed throughout the region. This December will be the third year in a row that the minimum required numbers have been achieved. Wyoming is having trouble with the development of a management plan, which is forestalling delisting wolves for all three states.

Nicolescu asked Caswell what the best method might be for Districts to communicate with OSC. Caswell indicated that he is comfortable with District personnel calling up their office directly with their input. He asked that we be patient and stated that communication is perhaps not the best it could be. He went on to say the Districts could be of great assistance in the facilitation of communication efforts. Reid asked if a signed MOU was necessary. Caswell stated that he had always had a good working relationship with Nicolescu and the staff at the USBWP and he did not feel a formal agreement was required. Hawley stated that a brief MOA would help to outline protocols and could be beneficial to all parties.

Nicolescu asked if Caswell anticipated the Districts taking a greater role in ESA issues. Caswell suggested that Districts could assume a large role and should be working with agencies already addressing ESA issues. In an effort to ensure all necessary parties remained informed of needs, concerns, and activities, it was indicated that perhaps the Commission act as a

liaison. Nicolescu noted this topic may be discussed at a later time so that the issue may be properly addressed.

### **Ground Water Mitigation Report**

Jim Yost, Office of the Governor, presented an update on the ground water mitigation issues in the Magic Valley and northern Snake Plain. Yost began by explaining the background of the situation. He reported that late in the legislative session, water was in short supply and farmers and ranchers were beginning to worry about the pending season of drought; however, as of March 1<sup>st</sup>, it appeared as though there would be ample precipitation and all water rights would be satisfied. In order to avoid imminent legal action regarding senior/junior water rights, the Governor's office gave Commerce and Idaho Department of Water Resources (IDWR) spending authority for ground water mitigation projects. With financial assistance from the Commission, several projects were implemented immediately. Yost thanked the Commission for allowing the loan and grant program funding to be applied towards ground water mitigation projects.

Yost went on to report that in addition to the \$2 million appropriated for ground water mitigation, \$300,000 was contributed from the Commission for conversion projects as of June 30, 2004. The Commission has an additional \$500,000 earmarked for similar projects in FY 2005. Yost feels the projects have been successful and, drought or not, they should be implemented because of the significant water savings. He noted that projects put on the ground by Dept. of Commerce had an overall water savings of about 30 cfs, which is significant. He went on to say it was far more profitable to have the Commission implement future projects, as we have the system in place to accomplish this kind of work already. Two particular projects were not funded through the Dept of Commerce, although Yost felt both were worthy projects and he urged the Commission to considering funding them.

Yost closed by noting spring flows have not increased, although measurable decreases have desisted. Nicolescu asked if canal companies have been approached on issues of increased conveyance. Yost replied, saying recharge sites, even if small, are beneficial and many sites are being considered for off-stream storage in above-average water years.

Biff Burleigh distributed a summary of financial assistance provided towards conversion projects. Gooding SCD and North Side SWCD were the primary districts involved. A total of \$135,031 in grant monies has been awarded. Total dollars lent through the RCRDP loan program towards ground water mitigation projects is \$32,366. Landowner dollars invested (includes loans) in these projects totals \$540,124.

Benefits to landowners:

- Reduced power costs
- Backup ground water pumping capabilities

Benefits to aquifer

- Total acres now independent of ground water: 4,714 acres
- Cubic feet of groundwater retained in aquifers each second: 71.5 ft<sup>3</sup>
- Daily groundwater savings (during irrigation season): 142 acre-feet
-

Nicolescu asked if this is a year-to-year arrangement or if a solid agreement can be put in place. Yost indicated he felt the programs would be most beneficial if they continued for a few years.

### **Upper Salmon Basin Watershed Project Update Report**

Russell Knight delivered an update report on the USBWP. Knight explained the Project's boundaries stretch from the mouth of the Middle Fork to the headwaters of the Salmon in the Stanley Basin. This area encompasses 6,315 square miles with over 7,400 miles of streams. Within this territory, 38 projects sponsored by the Lemhi Soil and Water Conservation District have been completed, as well as 43 projects sponsored by the Custer SWCD. The Idaho Department of Fish and Game has sponsored 14 projects, Bureau of Reclamation has implemented 3 demonstration projects, and 9 additional projects have been sponsored by other entities.

The land ownership in the Upper Salmon basin is approximately 10% private and 90% state or federal. The inverse of this is true concerning the best-occupied anadromous fish habitat, with 90% of the spawning and rearing habitat being on private lands. This relationship was the driving force behind the formation of the USBWP. The local landowners recognized the value of the anadromous fish and realized the implications of having an endangered species living on their lands before the species were even listed under the ESA. Because of the potential impact to private lands, the locals formed a group of people who worked and lived in the area and were familiar with the issues. These people make up the Technical Advisory Committee and the Advisory Committee for the USBWP.

The majority of projects currently in implementation fall under three of the Reasonable and Prudent Alternatives (RPA) of the Federal Columbia River Power System Biological Opinion. These RPA's are 149, 150, and 151. RPA 149 addresses passage, screening and flow problems. RPA 150 is the protection of currently productive non-federal habitat. RPA 151 directs us to experiment with innovative ways to increase tributary flows. The projects being implemented range from simple riparian exclusion fencing to complex irrigation diversion consolidations and fish screens. The Lemhi River Basin Conservation Agreement and the Upper Salmon River Basin Conservation Memorandum of Understanding are both Section 6 agreements that will lead to incidental take coverage for the landowners and water users in the Upper Salmon Basin. The landowners, the State of Idaho and the Federal Government, are currently negotiating both of these agreements.

The future for the USBWP looks good, Knight reported. The people involved in the process are committed to success for the resources and for the community in Lemhi and Custer Counties. With the continued cooperation of the State and Federal agencies, we will be able to keep building the partnerships that have made this endeavor such a success.

## Agency Reports

### *ISDA Report*

Mike Everett delivered the ISDA report in the absence of Director Takasugi. He indicated funding has been secured to finish remodeling the basement. A significant amount (\$1.7 million) of potential funding may also be available for the animal ID program. It is an expensive program and causing a great deal of contention. Evans remarked an inter-state program was necessary since many times cattle are moved between states. Grindstaff asked how many full-time positions would be added on to ISDA staff; Everett noted five to seven staff members would be added, funded by the grant, during the animal ID program implementation.

Everett briefly mentioned several other topics important to ISDA at this time:

- There has been great concern in agricultural sectors over the loss of foreign cattle markets due to BSE
- Odor complaints have decreased significantly
- Smoke/air quality has also been a pressing issue. The Rathdrum prairie has been an area of conflict –100,000 acres permitted for burning last year has been reduced to 15,000 acres this year. However, of the days when the highest volume of smoke/burning complaints was received, four out of five were no-burn days.

John Chatburn reported briefly on the Beef Cattle Environmental Protection Act. He noted 99% of the feedlots over 1,000 head have been inspected and are in compliance. Chatburn highlighted the fact that Nutrient Management Plans (NMPs) must be submitted to ISDA by January 1, 2005. According to Idaho Code, as soon as a NMP is approved, the projects it details must be implemented. So beyond the January deadline, there is a great deal of work to be done. Foster asked what the penalty is for not meeting the January 1 deadline. Chatburn replied that each violation could carry a \$10,000 civil penalty as outlined in Idaho Code.

### *IDEA Report*

Sharon Kinzer reported on the IDEA board meeting, held earlier in the day. In summary:

- Kinzer reminded everyone that the IDEA luncheon will be held on Sunday at Conference this year.
- IDEA will be introducing proposed by-law changes:
  1. Annual dues to increase from \$20.00 to \$35.00
  2. Fiscal year departing from State fiscal year (July 1-June 30) and set according to calendar year (January 1-December 31)
- A survey of District employees was recently conducted:
  1. On average, District employees have been employed with their District for eight years
  2. Most District employees only work an average of 26 hours per week
  3. Salaries are reported to be an average of \$10.60 per hour
  4. Out of 37 Districts that participated in the survey, 20 have lost their District employees in the last year
- Statewide training is a topic that keeps resurfacing, although it would be expensive to facilitate such an endeavor

- Rifles for the rifle raffle have already been purchased. Tickets are available - \$5 each or five for \$20.

### **Clearwater Focus Program Update**

Janet Hohle delivered an update on the Clear Water Focus Program (CFP)

She noted the CFP is the only program of its type, with State and Tribal sponsorship, at work in the Columbia River Basin. She reported the vision for the Clearwater Subbasin is a “healthy ecosystem with abundant, productive, and diverse aquatic and terrestrial species, which will support sustainable resource-based activities”. Much technical information was conveyed; a brief summary of key points is as below:

- Primary BMPs of the western portion of the Clearwater subbasin include no-till drilling, culvert outlets and grade stabilizations
- Primary BMPs in the eastern portion of the Clearwater subbasin include forest roads, passage barriers and fencing
- ESA-listed fish species in the subbasin include fall Chinook (to Lolo Creek), West Coast Steelhead, Bull Trout
- ESA-listed animal species in the subbasin: Gray Wolf, American Peregrine Falcon, Bald Eagle, Grizzly Bear
- ESA-listed plant species in the subbasin: Spaldings Catchfly, Macfarlane's Four O'clock, Water Howellia, Ute Ladies' Tresses
- Accomplishments:
  - Implemented on-the-ground Projects.
  - Convened the Clearwater Policy Advisory Committee
  - Completed the Draft Clearwater Subbasin Plan, the first to be submitted to the Northwest Power and Conservation Council for adoption in their F/W Program.
  - 14 habitat restoration projects (\$4 million) in the Clearwater annually.

### **Agency Reports, continued**

#### *IASCD Report*

Kyle Hawley gave an update of IASCD business. A brief review of those notes is listed below:

- New operating agreements have been signed, including agreements for TMDL work.
- Envirothon was successful – a total profit of \$700 was gained
- Forestry contest was also a success project
- The 2004 IASCD Conference will be held in Moscow.
  - Ray Ledgerwood will be the keynote speaker, addressing District capacity and supervisors' responsibility
  - Randy Frazier, an associate of Ledgerwood's from Arkansas will be the motivational speaker
  - This year's theme: “Strengthening Locally Led Partnerships”
  - The 2005 IASCD Conference will be held at the Doubletree (Downtown) in Boise, November 7 – 10
- Leadership Idaho Ag scholarships available for supervisors who would like to attend
- District financial accountability policy is still in review



- IASCD was presented with the Idaho State FFA Association's Distinguished Service Award earlier today
- Division Meetings are coming up soon. Dates are as noted below; locations to be announced:
  - Division I .....October 15<sup>th</sup>
  - Division II.....October 14<sup>th</sup>
  - Division III.....October 12<sup>th</sup>
  - Division IV ....October 6<sup>th</sup>
  - Division V.....October 22<sup>nd</sup>
  - Division VI....October 21<sup>st</sup>

### *NRCS Report*

Rich Sims distributed the NRCS report. He gave details on a change in how payments will be authorized for EQIP and CSP – a new paperless approval and electronic deposit system will soon be in place.

Sims briefly reviewed the cooperative agreements between NRCS and ISCC. TSP is a relatively new agreement (began October 1, 2003) that allows for a 50-50 match up to \$100,000 for work completed towards Farm Bill programs.

\$100K – NRCS TSP – Farm Bill

\$100K – SCC TSP – Farm Bill

\$200K – monies towards technical assistance (implementation, not planning) directed at TMDL work concentrating on Farm Bill contracts already signed

Grindstaff moved to approve the \$100,000 for the TSP program. Evans seconded and the motion carried. Alice Wallace moved that IASCD accounting systems be utilized in the disbursement of said funds. Koester seconded and the motion carried.

Sims noted letters are being sent to all District chairpersons requesting administrative support to NRCS staffers conducting farm bill work. A minimum of \$100,000 will be going to Districts in return for their administrative support.

For the benefit of the IASCD Board and IDEA Directors, Sims reiterated his news of Sara Braasch being appointed as the new Western Region Conservationist.

### *U of I CES Report*

No one from U of I was available to attend the meeting; no update report was available.

### **Water Quality Program for Agriculture Update**

Burleigh presented a brief report of the Water Quality Program for Agriculture (WQPA), listing current and completed projects and the funds that have been expended thus far. A total of \$613,000 is allocated for the implementation of BMPs and \$110,000 is designated for administrative costs. He notes not all projects could be funded given the current budget, but that technical assistance may be lent to some worthwhile 319 projects.

### **Conservation Technical Assistance**

Foster reported on the status of the current CTA agreement, which is very similar in function to the TSP agreement. Nicolescu stated it would be beneficial to explore additional MOUs with OSC and Department of Environmental Quality (DEQ). Evans moved that Nicolescu pursue such MOUs. Grindstaff seconded the motion and the motion carried.

### **Adjournment**

With no further business on the agenda for the first day, Evans moved to adjourn. Grindstaff seconded the motion and the motion carried. Chairman Reid adjourned the meeting at 4:55 P.M. Commission meeting to reconvene at 8:30 A.M. the following morning.

### **Tuesday, July 13, 2004**

Chairman Reid brought the meeting to order at 8:55 A.M. and welcomed everyone to the meeting.

### **Technical Service Provider Report**

Bennett distributed a summary of TSP activities and cost-share monies for FY 2004. It should be noted the TSP agreement is based upon the federal fiscal year and the present contract will not expire until September 30 of this year. Bennett reviewed the details of current TSP work, including matching funds, activities reported, and total staff hours contributed. As of June 30, 2004, \$28,204.08 (of an available \$100,000) has been utilized.

### **Budget Discussion**

Jane McClaran, Division of Financial Management (DFM), and Ray Houston, Legislative Services Office (LSO) led a discussion on budgetary issues, including budget planning for FY 2006.

Houston reviewed the 2004 Idaho Legislative Fiscal Report, noted various changes in agency general fund appropriations. There was some discussion regarding replenishing the funding lent by the ground water mitigation grants. Thomasson asked specifically about the method by which the Commission should request reimbursement for monies expended towards ground water mitigation grants, whether a decision unit should be written for the FY 2006 budget or if a supplemental should be requested for FY 2005. McClaran indicated that ISDA should facilitate the budget requests, as approved by the Commission. Houston noted the agency should request a supplemental, a sound request with background information supporting the request, that the Governor and legislature can review in order to determine whether or not they have the ability to pay.

A hypothetical general fund budget report, as prepared by Ray Houston, was distributed to help illustrate how FY 04-06 budgets may be worked out. As Houston explained, the

Commission might be able to take advantage of one-time monies, which will help balance the budgets through FY 2006. However, he noted, in FY 2007 the problem of making up for the “loss” of one-time monies will present itself. When asked, both McClaran and Houston agreed, they anticipate no need for a hold back in FY 2005. Nicolescu asked what kinds of things (like the usual business to the Commission) should be included in an enhancement request. McClaran indicated she felt the ground water mitigation issues are very important and stressed that she felt it should consume a great deal of our resources.

Evans noted there is some misunderstanding on the use of funds – landowners in eastern Idaho are questioning why so much of the funding is directed at the Magic Valley area and (from their perspective) none is left for their own needs. Nicolescu suggested further public relations work be done to correct this misconception.

Nicolescu mentioned the RCRDP software purchase and the need to audit of the program. He asked if it was feasible to take money from the RCRDP dedicated fund in order to accomplish said items. McClaran indicated that sounded like a reasonable request.

Upon the request from the Governor's office, the Commission made an agreement to facilitate financial assistance for ground water mitigation. There is some discussion on how grants are awarded and how the priority ranking process is implemented. It is noted that TMDLs and related work are a priority for the Commission as a matter of statute. Broad discussions of the Commission's financial programs ensue. State Agricultural Water Quality Program, Water Quality Program for Agriculture are being used very little – in fact, Shea stated, WQPA is in a maintenance-only mode due to a lack of funding. The RCRDP loan funds, however, continue to build. The Commissioners expressed desire to market our programs to generate interest and ask that it become a high priority.

### **RCRDP Loan Application(s) Reviews**

*Paul Miller*

Details of the Miller loan application were as follows:

Loan Amount: \$30,000  
Loan Term: 5 years  
Loan Rate: 3%  
Chattel Collateral: 2004 #8000 Center Pivot  
Value of Collateral to be established by an acceptable evaluation source  
Secured equipment will be insured for the life of the loan  
ISCC to secure 1st lien on equipment to be purchased

Whittom moved to approve and Evans seconded. Motion carried.

*Jose and Maria Borba*

Summary of the Borba application below:

Loan Amount: \$20,000  
Loan Term: 7 years  
Loan Rate: 4%  
Chattel Collateral: 20 open heifers  
Value of Collateral to be established by an acceptable evaluation source

Secured equipment will be insured for the life of the loan  
ISCC to secure 1st lien on equipment to be purchased

There is some discussion on Borba's ability to isolate 20 heifers from his herd as collateral when there may be pre-existing security interests established. Evans moved to table the loan application pending additional collateral or new information regarding security interests. Grindstaff seconded the motion and it carried.

*Tobias Flick*

Mr. Flick applied for additional funding, and the application was tabled by motion at the May 17 meeting. Taylor presented the additional district input that was requested and then the application was approved (via written fax confirmations) on 07/13/2004 by Evans, Whittom and Reid.

Additional Loan Amount: \$36,750

Loan Term: no change requested

Collateral: no additional collateral offered or necessary

Evans moved to formally approve the additional funding and Grindstaff seconded the motion. Motion carried.

*Ed and Christa Lucero*

Due to cost overruns, the Luceros requested additional funding in the amount of \$23,500. No changes in term, rate, or collateral. Grindstaff moved to approve the Lucero's request. Whittom seconded and the motion carried.

### **RCRDP Policy and Procedure Handbook**

Ambrose shared the new handbook that was developed for RCRDP with the Commission members, highlighting the new forms, revised policy and working procedure document. Whittom and Evans stated they were very impressed with the manual and expressed an interest in reviewing the procedure and policy documents on an annual basis.

A final draft of the RCRDP policy was distributed prior to the meeting and having reviewed it previously, Grindstaff moved to approve the new policy with the Administrators' approval limit set at \$5,000. Evans seconded. After much discussion on policy and procedure and what was appropriate to each, the motion carried.

Ambrose asked if a dollar amount should be specified for write-offs of over and underpayments on final loan payments. McClaran suggested that amounts under \$5 be written off after two attempts at contacting the borrower.

### **RCRDP Grant Application(s) Review**

Burleigh gave a presentation regarding availability of funding. Thomasson noted that if we approve grants greater than the amount we have available we can send correspondence to the landowner indicating they have been approved subject to the availability of funds.

There was much discussion regarding the distribution of grant funds across the state, as opposed to focusing solely on the ground water mitigation.

*Wrights Creek Grazing Association – Oneida SWCD*

Requested Grant Amount: \$10,000

Biff noted given the state of the budget, perhaps we should send a letter to districts indicating we're accepting applications but not funding currently. Evans gave some input on the Wrights Creek Grazing Association project and noted he was one of seven permittees. With that, he excused himself. Grindstaff moved to approve the grant application as submitted. Whitton seconded the motion. With Evans abstaining, the motion carried.

Requested Grant Amount: \$7,865

Grindstaff moved to approve E.G. Johnson Farms, based on its ranking, and due to the lack of funds, deny the remaining grant applications. Whitton seconded. After some discussion of the project, the motion carried.

*Note: The following grant applications were denied by a blanket motion with the stipulation that the applicants be notified that they might reapply at a later time*

1. Harry & Gainelle Massoth, Duane & Lori Darbin, Earl & Louella Rowe – Canyon SCD
  - Requested Grant Amount: \$18,551
2. Dale Piercy – Canyon SCD
  - Requested Grant Amount: \$10,000
3. Domingo Asumendi – Canyon SCD
  - Requested Grant Amount: \$10,000
4. IdaBlack Angus Ranch – Canyon SCD
  - Requested Grant Amount: \$7,725

Burleigh distributed a copy of the revised grant policy. He proposed changing the name of the grant program to "Conservation Improvement Grants". Title 22-37-30 indicates no restriction on the name of the grant program. Evans moved we change the name as noted above. Whitton seconded and the motion carried.

After a brief review, Grindstaff moved to approve the revised grant policy as written. Whitton seconded and the motion carried.

### **District Allocation Report**

Nicolescu distributed copies of Shea's district allocation report and briefly reviewed the figures with Commission members.

## **Other Business**

### *September Meeting*

Nicolescu asked if we should invite Toni Hardesty, newly appointed Director of DEQ, to the September Commission meeting and it was agreed she should be on the agenda.

### *Five-Year Plans*

Weaver distributed copies of the summary document for district five-year plans. A comparison chart on the last page demonstrated changes in priority between 2003 and 2004. She briefly reviewed the document with the Commission, specifically noting the antidegradation plan for agriculture criteria.

### *Leadership in Agriculture – Sponsorship*

IASCD would like to send a District supervisor to LIA and is seeking sponsorship. Thomasson explained how LIA works. There was some discussion of tuition and the other various costs involved – travel, meals, etc. Whittom moved the Commission contribute \$1,000 to the IASCD for sponsorship of a District supervisor to attend LIA. Evans seconded the motion and the motion carried.

### *District Financial Accountability Policy*

Financial accountability policy is still undergoing edits, but the process is moving forward. No estimated completion date is available at this time.

### *Office of Species Conservation Memorandum of Agreements*

Hawley stated that the Association would very much like to cooperate on any new MOAs developed between the Commission and OSC.

## **Election of Officers**

Reid opened the floor for nominations for Chairman. Evans nominated Whittom for Chairman; Grindstaff seconded and the motion carried. Grindstaff nominated Evans as Vice-Chair; Whittom seconded and the motion carried. Whittom nominated Grindstaff for Secretary; Evans seconded and the motion carried. Nicolescu announced two openings – replacing the expired terms of Johnston and Reid. The Governor has yet to name appointees, though letters of recommendation have been sent. Both Reid and Johnston will continue to serve until replacements have been appointed.

## **Executive Session**

At 12:03 P.M., Grindstaff moved to enter executive session pursuant to Idaho Code 67-2345 so that personnel issues may be discussed. Whittom seconded. Roll call of members present: Chairman Reid – aye; Bill Whittom – aye; Morgan Evans – aye; Gary Grindstaff – aye; Tom Johnston – not present. Motion carried. Other individuals present included Jerry Nicolescu, Kyle Hawley, and Rich Sims. The Commission entered into executive session at 12:04 P.M.

With no further personnel matters to discuss in executive session, the Commission returned to regular session at 12:45 P.M. Whittom moved to revoke the prior motion made during the May meeting with regard to the personnel issue in Nez Perce. Grindstaff seconded. Hawley offered an apology, stating that it was not his intent to exclude staff. He merely feels there is a better chance for resolution if Rich Sims or another representative from NRCS is not present. Motion carried.

### **Adjournment**

With no further business to discuss, Grindstaff moved to adjourn the meeting. Evans seconded and the motion carried. Chairman Reid adjourned the meeting at 12:48 P.M.

Respectfully submitted by Jenn Ambrose, Administrative Assistant.